COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)			
ADJUSTMENT FILING OF PENDLETON)			
COUNTY WATER DISTRICT, GAS)	CASE	NO.	5988-RR
DIVISION	Ś			

ORDER

On March 29, 1974, the Commission issued its Order in Case No. 5988, approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On July 10, 1981, Pendleton County Water District, Gas
Division ("Applicant") notified the Commission that its wholesale

cost of gas would be decreased by its supplier, Columbia Gas

Transmission Corporation ("Transmission"), effective August 1, 1981,
and submitted with its notice certain information in compliance with
this Commission's Order of March 29, 1974. The notice set out certain
revisions in rates which the Applicant proposed to place in effect,
said rates being designed to decrease the cost of natural gas of its
supplier in the amount of \$1,568.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

1. The Applicant's supplier, Transmission, on July 1, 1981, filed with the Federal Energy Regulatory Commission ("FERC") for decreased rates to become effective August 1, 1981, and that the decrease sought by the Applicant reflects Transmission's rates so filed.

2. The Applicant's adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case No. 5988, dated March 29, 1974, is fair, just, and reasonable, in the public interest and should be effective with gas supplied on and after the date the decreased cost of wholesale gas becomes effective.

IT IS THEREFORE ORDERED that said purchased gas adjustment sought by the Applicant and adjusted as aforesaid mentioned be and the same is hereby approved, to be effective with gas supplied on and after the date the decreased cost of wholesale gas becomes effective ("acceptance" by FERC).

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of the Applicant the base rate for purchased gas shall be:

Commodity

Columbia Gas Transmission Corporation

Schedule SGS

\$2.8808 per MCF

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on July 24, 1981, constitutes full compliance with the Commission's Order in Case No. 5988, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date the decreased cost of gas becomes effective, Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 5th day of August, 1981.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 5988-RR DATED AUGUST 5, 1981

The following rates are prescribed for the customers in the area served by Pendleton County Water District, Gas Division. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES:	Monthly	Rates per Unit		
Residential:				
First Next Next Over	1,000 per hundred cu. ft.	\$ 4.70 .4120 .3867 .3817		
Commercial:				
First Next Next Next Over Minimum		\$.3817 .3767 .3717 .3667 .3617		
Industr	·ial:			
All gas	s per Mcf	\$ 3.576		
Special Contracts:				
Interru	aptible Service:			
Griffin Industries, Inc., Per Mcf		\$ 3.107		
Firm Gas Service:				
MAGO Construction Co., Inc., Per Mcf		\$ 3.3199		